

#### STATE CDBG PROGRAM

- \* Cities, towns, and counties under 50,000 population
- \$186 million in grants awarded to MT communities since 1982
- \* Must primarily benefit low and moderate-income

#### CATEGORIES OF ASSISTANCE / STATE CDBG PROGRAM

- Public Facilities Grants
- Housing and Neighborhood Renewal Grants
- Planning Grants
- Economic Development Loans and Grants (CDBG-ED)
- Neighborhood Stabilization Program (NSP) Grants

#### **Entitlement Cities CDBG Program**

- \* Billings
- ★ Great Falls
- \* Missoula

#### **Indian CDBG Program**

\* Administered by HUD Denver Office



## Ranking Criteria for CDBG Public Facilities Applications

I. Community Planning and Citizen Participation	175
2. Need for the Project	175
3. Project Concept and Technical Design	150
4. Community Efforts	100
5. Need for Financial Assistance	200
6. Benefit to Low and Moderate Income Persons	150
7. Implementation and Management	175
Maximum Possible Points:	1125
Minimum score needed to be eligible for funding:	700

# Ranking Criteria for CDBG Housing and Neighborhood Renewal Applications

I. Community Planning and Citizen Participation	200
2. Need for the Project	200
3. Project Concept and Community Efforts	250
4. Benefit to Low and Moderate Income Persons	200
5. Implementation and Management	200
Maximum Possible Points:	1050
Minimum score needed to be eligible for funding:	700

#### State CDBG

Extended application deadline for both Public Facilities and Housing:

Friday, March 16, 2012 - 5:00 p.m. Maximum Grant: \$450,000





#### FFY 2012 CDBG Funding

<b>State Allocation</b>
Available for Award to Local Governments5,232,869
70% (no less than 60%) Public Facilities and
Housing & Neighborhood Renewal Projects3,663,008
30% (no more than 40%) Economic
Development Projects

## Ranking Criterion One: COMMUNITY PLANNING AND CITIZEN PARTICIPATION

Planning for Overall Community Development Needs

- □ including:
- housing
- economic development and
- public infrastructure
- ☐ particularly for low and moderate income persons

#### and

☐ planned activities to meet local needs



#### **APPENDIX D:**

#### **Application Instructions and Format**

Respond **point** by **point** are question by question to every question listed in the Application Guidelines

Copy each CDBG question as presented,

#### then...

Provide a response to each question and all of its parts.



## Ranking Criterion One: COMMUNITY PLANNING AND CITIZEN PARTICIPATION

#### Document that the Applicant has:

- considered the needs of LMI persons:
  - > CDBG projects must <u>principally benefit low and</u> moderate income families.
- encouraged citizen participation to identify needs <u>and</u> to plan:
  - > Is the project consistent with public opinion?
  - > Does it have strong public support?
  - > Has the public had opportunity to comment?
  - > Have concerns been addressed by local officials?

# Ranking Criterion One: COMMUNITY PLANNING AND CITIZEN PARTICIPATION

Is the proposed project consistent with

- overall community development objectives;<u>and</u>
- long-term demographic trends?

## Ranking Criterion One: COMMUNITY PLANNING AND CITIZEN PARTICIPATION

#### Document:

- Two required public hearings:
  - Ist -- on overall community needs
  - 2<sup>nd</sup> -- on the proposed project
- Include meeting minutes to reflect citizen comments and
- Show that citizen concerns and comments were addressed



## Ranking Criterion One: COMMUNITY PLANNING AND CITIZEN PARTICIPATION

**Community Growth Policies and Capital Improvement Plans** 

More points if you document that your community has:

- Assessed overall public facilities needs,
- Identified and documented deficiencies, and
- Established priorities in a Capital Improvements Plan (CIP) or Growth Policy. (See Appendix W of the CDBG Application Guidelines.)

You can set aside \$25,000 of a CDBG grant for a Growth Policy or CIP!

## Ranking Criterion Two: **NEED FOR PROJECT**

#### **Address and document:**

- > the degree to which problems affect public health and/or safety (highest priority)
- > the proportion of the community affected and
- > the immediacy of problems

### For public facilities projects other than water/wastewater/storm water/ or solid waste projects:

- > Priority for direct assistance for LMI residents or disadvantaged persons
- >CDBG will consider the proportion of the total community assisted

## Ranking Criterion Two: NEED FOR PROJECT

#### Threat to health or safety

- I. Highest priority: eliminate threats to health/safety.
- 2. Address the immediacy and cause of the problem.
- 3. Describe how long and/or how often.



## Ranking Criterion Two: NEED FOR PROJECT

#### Show that your proposal:

- Is reasonable, complete, and appropriate
- Thoroughly addresses the problem and
  - Is cost-effective and long-term

#### **PROVIDE:**

#### **A Preliminary Engineering Report**

(See Uniform Application for Montana Public Facility Projects)

#### <u>OR</u>

#### **A Preliminary Architectural Report**

(Application Guidelines, Appendix S).



## Ranking Criterion Three: PROJECT CONCEPT & TECHNICAL DESIGN

Water and Sewer Projects:
CDBG scores are parallel with TSEP's
Non-Water and Wastewater Projects:
CDBG Team analyzes the PAR and responses to ranking issues/questions



## Ranking Criterion Four: COMMUNITY EFFORTS

#### **Describe and document:**

- Applicant's substantial past efforts to address problems with local resources
- Non-financial community efforts including Operation and Maintenance (O & M); and
- Applicant's commitment to long-range planning, as shown by:
  - Growth Policy, and/or
  - Capital Improvements Plan

updated regularly



## Ranking Criterion Four: COMMUNITY EFFORTS

#### **Tell Your Story**

#### Did you:

- Do regular capital improvement planning and CIP budgeting?
- Update/revise/use the CIP?
- Include a complete copy of the CIP?
- Raise taxes, hook-up charges, user charges or fee schedules?
- Provide a response to each ranking question listed?

- A. Does your strategy show your community's inability to pay for the project without CDBG assistance?
- **B.** Does CDBG's analysis show your need to be greater than other applicants?



- C. Have you demonstrated that local financial participation is the maximum that can reasonably be expected?
- D. Is the amount of CDBG assistance requested per household reasonable?



For Water, Wastewater, Storm Sewer, and Solid Waste Projects:

E. Would user rates be = or > the community's <u>target rate</u>?

F. For other project types: analyze the gap



Financial Indicators Used in Analyzing Financial Need

I. Economic Condition of Households - All Applicants

2. Financial Analysis

Target Rate Analysis for Water, Wastewater, or Solid Waste Projects

#### **Gap Analysis**

for Other Projects that provide less than a community-wide benefit (Senior Centers, Nursing Homes, Head Start Centers, and Similar Types of Facilities)

#### Have you:

- ❖ Documented efforts to consider all relevant funding sources to assist? Or shown that they aren't reasonably available?
- Explained and documented that local financial participation is the maximum that can reasonably be expected?



Have you (and any organization you are sponsoring) documented efforts:



- to make local contributions, such as local cash or in-kind contributions?
- of administrative costs, or plan to provide other forms of direct financial or in-kind contributions?

#### **Key Elements**

- Respond to Appendix N if your application involves a non-profit or for-profit organization or a local public agency.
- Provide info on the non-profit, for-profit or public agency. In the **Uniform Application**, complete:
  - Sections A, B, & C
  - Balance Sheet and
  - Income and Expense Statement.

## Ranking Criterion Six: \_BENEFIT TO PERSONS OF LOW AND MODERATE INCOME (LMI)

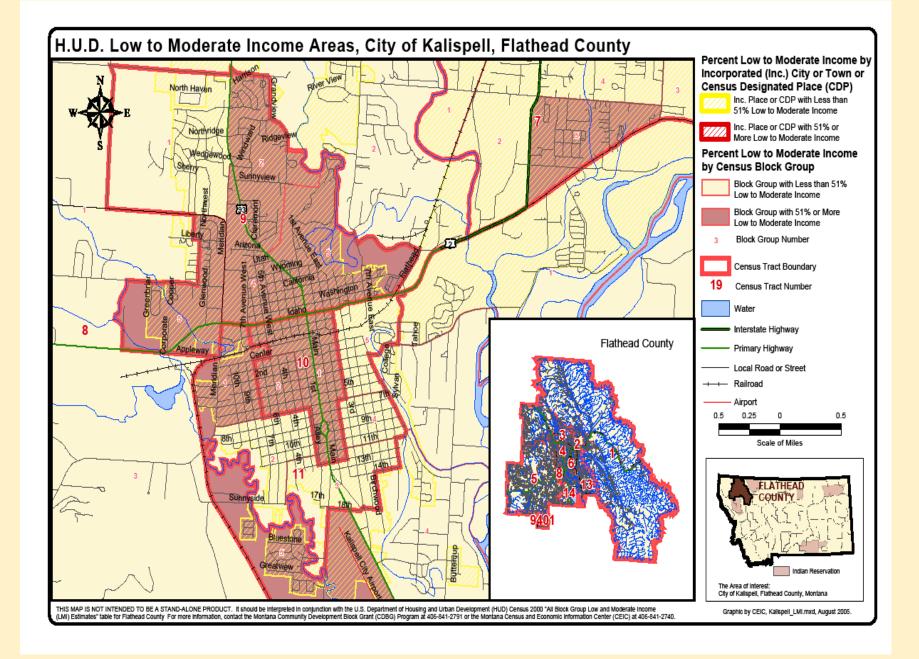
Document that at least 51% of The funds requested will benefit LMI households

Determine LMI Benefit
by Census Data
or by a Local Income
Survey or by an LMI
Targeting Plan

See the CDBG publication:

**Documenting Benefit to Low and Moderate Income Persons** 

Contact CDBG staff for assistance with LMI questions



## Ranking Criterion Six: BENEFIT TO PERSONS OF LOW AND MODERATE INCOME

#### Submit:

- Benefit to LMI Form (K-6) and
- An explanation of LMI benefit issues and questions

#### Options:

Indirect LMI benefit (area-wide benefit),

#### or

 Direct LMI benefit (serving a limited clientele or targeting CDBG funds to LMI households)

## Ranking Criterion Seven: IMPLEMENTATION AND MANAGEMENT

#### Show that you can:

- → Manage grant funds,
- → Comply with State and Federal requirements, and
- → Are ready to implement the project if awarded; and
- → Can complete the project cost-effectively and in a reasonable amount of time

- → Assure short-term and long-term management
- → Provide effective operation and project management
- → Establish firm

  commitment of all

  funds within 9

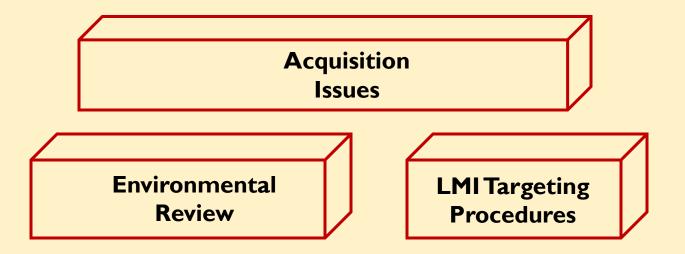
  months of grant

  award announcement



### Ranking Criterion Seven IMPLEMENTATION AND MANAGEMENT

Consider all potential issues for timely start-up and implementation, such as:



The budget and budget narrative must be justified. Explain each line item of the activity and administration costs.

### Ranking Criterion Seven IMPLEMENTATION AND MANAGEMENT

If you do the Environmental Review prior to application...

#### I. Consult with CDBG

- 2. Only areas that don't apply? "Coastal Zones" & "Coastal Barriers"
  - 3. Provide narrative and documentation for each area of review



### Ranking Criterion Seven IMPLEMENTATION AND MANAGEMENT

#### Environmental Review Areas



- 2. Airport Hazards
- 3. Contamination and Toxic Substances
- 4. Endangered Species
- 5. Environmental Justice
- 6. Explosive and Flammable Operations
- 7. Farmland Protection
- 8. Floodplain Management
- 9. Historic Preservation
- 10. Noise Control
- 11. Water Quality
- 12. Wetland Protection
- 13. Wild and Scenic Rivers
- 14. Airport Clear Zones
- 15. Flood Insurance



## Ranking Criterion Seven: IMPLEMENTATION AND MANAGEMENT

#### Other Considerations...

- Procurement
- Project Management Plan and Implementation Schedule (Appendix M)
- Benefit to Low and Moderate Income Persons
- Firm Commitment of Funds
- Applications on Behalf of Non-profit and For-profit Organizations (Appendix N)
- Current and past performance on CDBG projects
- Program Income Plan if applicable (Appendix R).

## CDBG HOUSING PROJECTS: Eligible Activities

CDBG funds can be used in combination with other federal, state, or local funds for:



- ✓ converting structures for residential use
- √ rehab of substandard housing
- √improvements to land for housing
- √demo of vacant, blighted housing
- ✓ weatherization and energy conservation
- √ community revitalization
- √construction of new housing
- √homebuyer assistance
- √land for new housing

And other possibilities.....



# Montana CDBG: Community Development Block Grant Program

Phone: (406) 841-2770

FAX: (406) 841-2771

TDD: (406) 841-2702

OR 7-1-1 (Montana Relay Service)

Email: DOCCDBG@mt.gov

All CDBG applications forms are available on the web:

http://comdev.mt.gov/CDBG/requiredappforms.mcpx